



Los Angeles County AUDIT COMMITTEE

Louisa Ollague, Chair
1st District
Clinton Tatum
2nd District
Genie Chough
3rd District
Carl Gallucci
4th District
Lori Glasgow
5th District

MEETING MINUTES

March 16, 2006

Chairperson Louisa Ollague called the meeting to order at 1:35 p.m. in Conference Room, 525, at the Kenneth Hahn Hall of Administration.

Committee Members Present

Louisa Ollague, First District
Genie Chough, Third District
Carl Gallucci, Fourth District
Lori Glasgow, Fifth District

Committee Members Absent

Clinton Tatum, Second District

Others in Attendance

Maria Oms, Auditor-Controller
Jim Schneiderman, Auditor-Controller
Chris Kademian, Office of County Investigations
Daphne Bell, Internal Services Department
Randy Martin, Internal Services Department
Eleanor Montano, Sybil Brand Commission

Peter Papadakis, Board of Supervisors
Garen Khachian, Board of Supervisors

Approval of Minutes

On motion of Lori Glasgow, seconded by Louisa Ollague, the Committee unanimously approved the February 16, 2006 minutes.

Old Business

Vendor Business at the Hall of Administration – A-C and CAO:

This item was continued to the April 20, 2006 meeting.

Child and Family Center Contract Review: Ms. Oms advised this item be pulled from the agenda. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Florence Crittenton Centers Group Home:

This item was continued to the April 20, 2006 meeting.

Sunset Review of Board Policy No. 6.010 – Department E-Mail Constituent Assistance Form: **This item was continued to the April 20, 2006 meeting.**

Sunset Review of Amendment to Board Policy No. 3.020 – Clean Fuels Program:

Daphne Bell, ISD, summarized the current status on purchasing hybrid vehicles for the County. Ms. Bell noted ISD is experiencing difficulty acquiring hybrid vehicles from automobile companies such as Honda/Toyota since they have directed their dealerships to sell only retail to government entities. Consequently, dealerships are unable to afford selling vehicles to the County at fleet price levels. Genie Chough inquired whether County Departments have submitted exemption requests to purchase hybrid vehicles. Ms. Bell advised 10 Departments have submitted reports and noted the policy does not

take effect until July 1, 2006; Thus far, 62 vehicles have been requested but no exemption requests have been submitted. In response to Member Glasgow, Ms. Bell reported the Clean Fuels Programs' practicality is still cost-effective for the County long term. Member Gallucci inquired if the Clean Fuels program provides discounts to County employees that use public transportation. Ms. Oms stated she would report back to the Committee at the April 20, 2006 meeting with a response. **On motion of Lori Glasgow, seconded by Genie Chough, the Committee unanimously approved extending the Sunset Review Date to January 10, 2007 and asked the Auditor-Controller to report back at the April 20, 2006 meeting on the feasibility of whether or not the Clean Fuels program provides discounts to County employees that use public transportation.**

DCFS Social Worker Group Home and Foster Family Agency Visits:
This item was continued to the April 20, 2006 meeting.

Group Home Corrective Action Plan Follow-Up Report – Westside Children's Group Homes, Incorporated – Westside Group Homes Sites 1, 2, 3, and 4:
This item was continued to the April 20, 2006 meeting.

Reports to be Received and Filed

Review of the Treasurer's Cash and Investments for the Quarters Ended March 31, September 30 and December 31, 2004: **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Hannah's Children's Homes Foster Family Agency Contract Review: Overall, the Agency is providing the services as required in the County contract, however ensuring the Needs and Services Plans (NSPs) contain specific measurable goals and that foster parents offer children age appropriate activities needs to be addressed. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

International Institute of Los Angeles Contract – Refugee Employment Program: Review determined International is providing the services required in its County contract. Further, program funds were accounted for and costs were allocated and spent on allowable expenditures. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Catholic Charities of Los Angeles Contract – Refugee Employment Program: Generally, Catholic Charities is providing the services required in its County contract and uses the appropriate number of qualified staff. Further, program funds were accounted for and costs were allocated and spent on allowable expenditures. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Asian American Drug Abuse Program Contract – Workforce Investment Act Programs: The eight program participants/guardians interviewed confirmed the services they received met their expectations. Also, Asian American Drug Abuse Program's (AADAP) expenses were appropriate, properly classified, accurately billed to DCSS and supported

by documentation as required. After meeting with AADAP to discuss our findings, AADAP asserted that Electronic Benefit Transfer (EBT) cards are sufficient documentation to support participants' income eligibility. However, EBT cards are an unacceptable form of income verification under DCSS and WIA guidelines. Nevertheless, AADAP was able to provide appropriate documentation such as copies of benefit statements/pay stubs proving participants' income eligibility.

Gay and Lesbian Adolescent Social Services Foster Family Agency Contract Review:

Review determined Agency unsuccessfully assessed all four foster homes prior to placing more than two children in the homes as required by the County contract. Further, six (86 percent) of seven foster parents did not receive the required 15 hours of training to be recertified. Also, the Agency did not complete the children's Needs and Services Plans, Quarterly Reports and Termination Reports in accordance with the County contract. Further, Auditor-Controller has received the Agency's Correction Action Plan (CAP).

On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.

Quarterly Fraud Hotline Status Report: During the quarter ending December 31, 2005, 119 new investigations were opened. The Office of County Investigations closed 117 cases in which 30 were substantiated, 63 were unsubstantiated; and 24 were deemed immaterial, were previously investigated, referred to an outside agency, or insufficient information was provided. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Shamrock Cottage, Inc., Shamrock Cottage Group Home 3 and Shamrock Cottage Group Home 4: Although the Agency is providing the services outlined in their Program Statement, the following deficiencies were found: Group Home 3 needs to ensure children are assessed for needed services within the first thirty days of placement. Group Home 4 needs to maintain a current NSP for each child that include specific and measurable goals and obtain appropriate court authorization for children taking psychotropic medication. Auditor-Controller has received and approved the Agency's CAP. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Active Communication Treatment Services (Acts) Group Homes, Incorporated, Bloomington, Mentone and Rialto Group Homes:

All three Group Homes need to replace bed pillows; clean and repair bedroom window coverings; maintain comprehensive NSP's; and provide children with opportunities to participate in planning activities. Auditor-Controller has received and approved the Agency's CAP. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Childs' Homes For Children Group Home:

Agency's management needs to train and monitor staff to treat all children fairly and encourage and assist children in creating/maintaining photo albums/life books. Auditor-Controller has received and approved the Agency's CAP. **On motion of Carl Gallucci, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing this report.**

Public Comments

Eleanor Montano reported implementation of CAP's for Group Homes has improved over the past 2 months. Ms. Montano commended and thanked the Audit Committee and the Auditor-Controller for their diligence in follow-up visits to Group Homes.

Other Business

Election of Officers:

On motion of Lori Glasgow, seconded by Genie Chough, the Committee unanimously reelected Louisa Ollague as Chair.

On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously elected Lori Glasgow as Vice-Chair.

FFAs and Group Home Monitoring: The Committee unanimously approved to invite representatives from DCFS and Board Deputies to attend the April 20 2006 meeting to discuss this issue.

LAHSA Update: Although the new CFO will begin April 3, 2006, Ms. Oms reported the interim CFO will remain for one month to provide guidance and assistance as needed. Further, Ms. Oms advised LAHSA needs to employ more administrative staff to operate effectively.

Discussion of responsibilities of DCFS, Auditor-Controller and Sybil Brand Commission: Lori Glasgow asked if the Auditor-Controller could perform fiscal audits and have DCFS perform the Group Home Monitoring. In response to Lori Glasgow, Ms. Oms advised that the Board of Supervisors instructed the A/C to monitor all County Group Homes. Don Chadwick advised that A/C and DCFS receive schedules to ensure duplicate monitoring does not occur. Ms. Oms added that besides auditor staffing, A/C has hired social workers to review and inspect Group Home monitoring. Lori Glasgow asked for a copy of the 2002 Board of Supervisors motion instructing the A/C to become involved in contract monitoring.

Lisa Parrish reported DCFS is beginning to implement 'performance outcome measures', which is different from contract compliance. Quarterly data is being collected concerning issues of permanence, child placement stability, emancipation and educational enrollment respectively.

Presentation on Auditor-Controller Fraud Reporting Website: Chris Kademian provided a PowerPoint presentation pertaining to the upcoming release of the April 3, 2006 A/C fraud website: lacountyfraud.org. Mr. Kademian advised the database was revamped to address the increased growth of cases in the County and to assist in meeting compliance requirements. Additionally, the upgraded system will enable investigators and managers to track investigations/cases within the same database. Each County department will be allowed only to view cases pertaining to their specific Department; this added feature ensures confidentiality for every Department. Further, the site is user friendly and entails a step by step process on reporting fraud. In response to Louisa Ollague, Mr. Kademian reported the typing field allows users to type up to 1,000 characters.

Matters not on the Posted Agenda (to be Presented and Placed on the Agenda of a Future Meeting)

There were none.

Adjournment

There being no further business to conduct, the meeting was adjourned at 2:28 p.m.